

## EXHIBIT XX

REDACTED PUBLIC  
VERSION

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

## Videotape Deposition Upon Oral Examination

of

DANA BATALI

\* \* \* CONFIDENTIAL - ATTORNEYS' EYES ONLY \* \* \*

Taken at 705 Second Avenue, Suite 1200

Seattle, Washington

DATE: Tuesday, March 19, 2013

REPORTED BY: Ronald L. Cook

CCR, RMR, CRR

10:19:24 1 And which positions were those?

10:19:36 2 A. Well, we had a -- a position in the

10:19:38 3 RenderMan group that was open for some period of time

10:19:43 4 and that we had trouble filling, and -- so that one

10:19:50 5 was certainly one of those.

10:19:52 6 Q. What was that position called?

10:19:53 7 A. RenderMan engineer.

10:19:59 8 Q. Did HR help you fill the position?

10:20:06 9 A. They were -- they were attempting to

10:20:08 10 help. I don't recall they found anyone that filled

10:20:10 11 the position.

10:20:15 12 Q. Was the position eventually filled?

10:20:22 13 A. Through kind of -- not directly,

10:20:26 14 probably. Indirectly, yes.

10:20:30 15 Q. Can you explain to me what you mean by

10:20:32 16 a --

10:20:32 17 A. In our group we have --

10:20:32 18 Q. -- position is filled indirectly?

10:20:33 19 A. -- we have a fluid definition of job

10:20:36 20 title and job responsibilities, and folks can fill in

10:20:41 21 for others while we might find someone more easily in

10:20:46 22 a different position.

10:20:48 23 Q. Mm-hmm.

10:20:49 24 A. So in that way it's fluid.

10:20:51 25 Q. Mm-hmm.

10:20:53 1                   And do you recall any other instances

10:20:55 2 where you reached out to Pixar human resources to help

10:20:59 3 you hire someone for your team?

10:21:08 4                   A.       As a matter of practice, it's now part of

10:21:09 5 the process to get a req opened through a formal

10:21:15 6 signoff process, and that goes through HR. So any new

10:21:20 7 position involves HR in that way.

10:21:26 8                   Q.       How long has that been a part of the

10:21:29 9 process?

10:21:36 10                  A.       I can only speak to the extent that it

10:21:39 11 affects me. I don't know the actual official words

10:21:42 12 from the point of view of corporate, which is a

10:21:43 13 separate physical entity than ours. Two, three, four

10:21:53 14 years.

10:21:54 15                  Q.       Mm-hmm.

10:21:56 16                  In this time period did you continue to

10:21:59 17 make decisions about what a new hire's salary offer

10:22:02 18 would be?

10:22:03 19                  A.       Yeah.

10:22:04 20                  Q.       Mm-hmm.

10:22:04 21                  And were you required to get approval

10:22:06 22 from anyone for the offer amount?

10:22:11 23                  A.       When the req is opened, there's a range

10:22:13 24 of salary that is expected for that position, and

10:22:20 25 that's part of that part of the approval process.

10:22:23 1 Q. Does that range kind of automatically  
10:22:25 2 generate when you open the req?

10:22:28 3 A. It's -- in my experience, it's part of  
10:22:32 4 the specification of the job. I have a -- I have a  
10:22:36 5 sense of market value, I say I need someone with this  
10:22:39 6 experience, and I imagine that the cost range could be  
10:22:42 7 somewhere in this range.

10:22:43 8 Q. Mm-hmm.

10:22:44 9 So when you open a req, do you put in the  
10:22:46 10 salary range?

10:22:47 11 A. Mm-hmm.

10:22:47 12 Q. Mm-hmm.

10:22:56 13 And does that range have to be approved  
10:22:58 14 by HR?

10:23:03 15 A. My sense of the approval process is that  
10:23:06 16 it's signed off by senior executives, not by HR. HR  
10:23:11 17 would perhaps be a resource to answering questions on  
10:23:16 18 what might be a valid salary range, and I might  
10:23:21 19 consult them.

10:23:23 20 Q. Have you consulted them in the past for  
10:23:25 21 what might be a valid salary range?

10:23:30 22 A. Certainly, once or twice.

10:23:34 23 Q. In this time period, in coming up with  
10:23:38 24 your own sense of what appropriate salary range for a  
10:23:41 25 new hire is, do you consult formal market surveys,

11:20:31 1 Q. And as a result of that conversation, did  
11:20:32 2 you conclude that you needed to increase some of your  
11:20:39 3 employees' compensation?

11:20:41 4 A. Certainly was a factor -- reassuring  
11:20:44 5 factor.

11:20:47 6 Q. Am I understanding correctly that the  
11:20:49 7 information you got from Dan indicated that the  
11:20:51 8 salaries should be higher?

11:20:55 9 A. My recollection is that there's a range  
11:20:57 10 of salaries, and that if someone falls in the range,  
11:21:00 11 there's no strong call to change their salary, and  
11:21:04 12 that the reasons would be extenuating as to whether to  
11:21:07 13 do so.

11:21:08 14 Q. Mm-hmm.

11:21:08 15 A. So the numbers that I had pulled out of  
11:21:10 16 my hat as intuitive numbers or had gotten from  
11:21:13 17 [REDACTED] as market -- a market number for his  
11:21:18 18 friend at Microsoft fit in with the data that [REDACTED]  
11:21:22 19 [REDACTED] had at his disposal. So it was reassuring.  
11:21:26 20 Didn't feel like it was too much of a poker game.

11:21:29 21 Q. I see.

11:21:32 22 Okay, I'd like to look at the next e-mail  
11:21:34 23 in time. It starts on Page 1 at the bottom. It's  
11:21:37 24 from you, September 23rd, 2008.

11:21:49 25 Turning to the next page, in the middle

11:21:52 1 of the paragraph you write, "Recently I've been  
11:21:56 2 surprised by the salary levels for two new hires: [REDACTED]  
11:22:00 3 [REDACTED]."  
11:22:06 4 Do you see that?  
11:22:07 5 A. Mm-hmm.  
11:22:07 6 Q. Below that you say -- I'm skipping a  
11:22:10 7 sentence here. You say, "As these new folks come in,  
11:22:12 8 it's distorting the balance within the team."  
11:22:14 9 Do you see that?  
11:22:16 10 A. Mm-hmm.  
11:22:17 11 Q. What did you mean by that?  
11:22:21 12 A. I suppose the sense that I have an actual  
11:22:23 13 intuitive value associated with every person.  
11:22:27 14 Q. Mm-hmm.  
11:22:29 15 A. And if someone feels like they're being  
11:22:34 16 paid more than someone I know who has more value, it  
11:22:37 17 raises a bit of a flag.  
11:22:39 18 Q. Mm-hmm.  
11:22:52 19 And what does "the balance within the  
11:22:53 20 team" refer to?  
11:22:57 21 A. Just the fact that I have a balance in  
11:23:00 22 the sense that the people who are my best performers  
11:23:03 23 are probably closer to the higher range of their  
11:23:07 24 market value, and those that aren't as high of  
11:23:10 25 performers are closer to the medium or lower range of

11:23:14 1 their market value.

11:23:15 2 Q. And is that to do with experience level

11:23:18 3 as well?

11:23:19 4 A. Yeah.

11:23:20 5 Q. So is it -- am I understanding this text

11:23:24 6 correctly that you were concerned that new employees

11:23:27 7 were coming in and were being paid more than employees

11:23:30 8 that had been with Pixar for a while?

11:23:32 9 A. These two employees specifically, yes.

11:23:34 10 MS. HENN: Object to form.

11:23:35 11 Q. BY MS. SHAVER: Mm-hmm.

11:23:36 12 And were you concerned that that was

11:23:42 13 resulting in unfair balance of pay between the new

11:23:45 14 employees and the older employees?

11:23:48 15 MS. HENN: Object to form.

11:23:50 16 THE WITNESS: It was just part of my

11:23:51 17 formulation of concern -- you know, trying to figure

11:23:53 18 out what to do about compensation on an annual basis.

11:23:56 19 Q. BY MS. SHAVER: Mm-hmm.

11:23:57 20 You wanted to make sure that your

11:23:58 21 employees were paid fairly; is that fair?

11:24:01 22 A. I think any manager ought to be trying to

11:24:04 23 do that.

11:24:08 24 Q. Okay.

11:24:08 25 Towards the bottom of that e-mail, the

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C E R T I F I C A T E

STATE OF WASHINGTON )  
                         ) ss.  
COUNTY OF KING       )

I, the undersigned Washington Certified Court Reporter, pursuant to RCW 5.28.010, authorized to administer oaths and affirmations in and for the State of Washington, do hereby certify:

That the foregoing deposition of the witness named herein was taken stenographically before me and reduced to a typed format under my direction;

That, according to CR 30(e), the witness was given the opportunity to examine, read and sign the deposition after same was transcribed, unless indicated in the record that the review was waived;

That all objections made at the time of said examination have been noted by me;

That I am not a relative or employee of any attorney or counsel or participant and that I am not financially or otherwise interested in the action or the outcome herein;

That the witness coming before me was duly sworn or did affirm to tell the truth;

That the deposition as transcribed is a full, true and correct transcript of the testimony, including questions and answers and all objections, motions and exceptions of counsel made at the time of the foregoing examination;

That as a matter of firm policy, the stenographic notes of this transcript will be destroyed three years from the date appearing on this transcript, unless notice is received otherwise from any party or counsel hereto on or before said date.

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RONALD L. COOK, CCR, RMR, CRR  
State of Washington CCR #2523

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To assist you in making corrections to your deposition testimony, please follow the directions below. If additional pages are necessary, please furnish them and attach the pages to the back of the errata sheet.

This is the final version of your deposition transcript.

Please read it carefully. If you find any errors or changes you wish to make, insert the corrections on the errata sheet beside the page and line numbers.

Do NOT change any of the questions.

After completing your review, please sign the last page of the errata sheet, above the designated "Signature" line and return the transcript to your attorney.

ERRATA SHEET

Witness: Dana Batali Date of Deposition: March 19, 2013

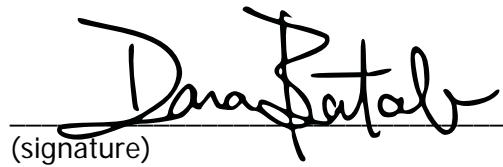
Page Line

16	4	Change: "become" to "begin"	
		Reason: correction	
20	15	Change: insert "when" between "period" and "he"	
		Reason: correction	
24	1	Change: "Lohr" to "Laur"	
		Reason: correction	
25	13	Change: delete "was"	
		Reason: correction	
27	18	Change: delete "my man -- my --"	
		Reason: correction	
39	25	Change: delete "that part of"	
		Reason: correction	
51	13	Change: "in the" to "with"	
		Reason: correction	
146	25	Change: "LeFohn" to "Lefohn"	

		Reason:	correction
147	2	Change:	"LeFohn" to "Lefohn"
		Reason:	correction
149	1	Change:	"LeFohn" to "Lefohn"
		Reason:	correction
149	17	Change:	"LeFohn" to "Lefohn"
		Reason:	correction
150	3	Change:	"LeFohn" to "Lefohn"
		Reason:	correction
150	6	Change:	"LeFohn" to "Lefohn"
		Reason:	correction
151	5	Change:	"LeFohn" to "Lefohn"
		Reason:	correction
165	19	Change:	delete "in the vagueness of the question" and insert "who" between "Kiril" and "was"
		Reason:	correction
165	20	Change:	delete "become in"
		Reason:	correction
165	21	Change:	delete "having"
		Reason:	correction
167	7	Change:	"8" to "2008"
		Reason:	correction

Subject to the above changes, I certify that the transcript is true and correct.

No changes have been made. I certify that the transcript is true and correct.

  
(signature)

4/30/2013

(date)